

## Message Text

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PAGE 01 BRUSSE 03151 171823Z  
ACTION EB-08

INFO OCT-01 EUR-12 EA-10 IO-13 ISO-00 SSO-00 INRE-00  
NSCE-00 USIE-00 DOEE-00 AGRE-00 CEA-01 CIAE-00  
COME-00 DODE-00 FRB-03 H-01 INR-10 INT-05 L-03  
LAB-04 NSAE-00 PA-01 CTME-00 AID-05 SS-15 STR-07  
ITC-01 TRSE-00 SP-02 SOE-02 OMB-01 DOE-11 /116 W  
-----075143 171826Z /47

O 171822Z FEB 78  
FM AMEMBASSY BRUSSELS  
TO SECSTATE WASHDC IMMEDIATE 4977  
INFO ALL EC CAPITALS  
USMISSION GENEVA  
AMEMBASSY TOKYO

C O N F I D E N T I A L BRUSSELS 03151

USEEC

GENEVA FOR USMTN

E.O.11652:GDS  
TAGS: ETRD, EEC  
SUBJECT: MTN: EC DISCUSSION OF US AND JAPAN TARIFF  
OFFERS

1. PRELIMINARY CONVERSATIONS WITH COMMISSION AND  
MEMBER STATES SOURCES INDICATE THAT GENERAL CONCLUSION  
OF HIGH LEVEL ARTICLE 113 COMMITTEE DISCUSSION FEBRUARY  
17 OF TARIFF OFFERS WAS THAT U.S. OFFERS IS DISAPPOINTING  
AND THAT OF JAPAN IS EVEN MORE SO.

2. COMMISSION SOURCE CLAIMED THAT DISAPPOINTMENT WITH  
U.S. OFFER WAS FAIRLY UNANIMOUS. HE UNDERScoreD  
DEPARTURE FROM HARMONIZATION CONCEPT AND EXCEPTIONS ON  
HIGH DUTIES AS MAJOR PROBLEM. THE EC WILL RESERVE ITS  
QUALITATIVE ASSESSMENT OF U.S. OFFERS FOR SOME TIME.  
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SOME MEMBER STATES SUGGESTED CONSIDERATION OF EARLY  
EC WITHDRAWALS BUT GENERAL VIEW WHICH PREVAILED WAS  
THAT FURTHER EXAMINATION IS REQUIRED.

3. EXPANDING ON THIS POINT, UK SOURCE SAID THERE WAS A  
STRONG INCLINATION AMONG MEMBER STATES TO FIND THE  
U.S. OFFER DISAPPOINTING. THIS WAS TEMPERED BY A

RECOGNITION THAT THE OFFERS REPRESENTED A MAJOR EFFORT ON THE PART OF THE USG, GIVEN ITS OWN DOMESTIC CONSTRAINTS. HE ADDED THAT SEVERAL MEMBER STATES MENTIONED THAT U.S. GREATER THAN FORMULA OFFERS, EVEN THOUGH NOT REQUESTED BY EC, ARE NOT VALUELESS AND THAT COMMISSION SHOULD NOT TELL U.S. THAT THEY ARE. BECAUSE OF FRENCH ELECTIONS AND OTHER FACTORS, THERE WAS NO INCLINATION AMONG THE MEMBER STATES TO PRESS THE COMMISSION TO RAISE THE SUBJECT IN THE MARCH FOREIGN MINISTERS COUNCIL.

4. UK SOURCE ADDED THAT IT WOULD ALSO BE RATHER RIDICULOUS FOR EC TO REACT SHARPLY TO U.S. OFFER BEFORE EC HAD GONE FURTHER IN SORTING OUT ITS OWN POSSIBLE REACTIONS. HE SAID THAT ALTHOUGH THERE HAS BEEN SOME INTERNAL EC WORK ON POSSIBLE WITHDRAWALS, THERE HAS BEEN NO EFFORT TO MARRY THIS WORK WITH EXAMINATION OF U.S. OFFERS. HE, AND OTHER SOURCES, SAID THAT DEPUTY LEVEL 113 COMMITTEE MEETING ON FEBRUARY 24 WOULD LOOK FURTHER AT THIS QUESTION.

5. UK, FRG AND COMMISSION SOURCES SAID THERE WAS ACCEPTANCE BY EVERYONE THAT U.S. OFFER, NO MATTER HOW DEFICIENT, WAS A MAJOR ONE WHEREAS JAPANESE OFFER IS NOT. UK SOURCE STATED THAT WEIGHTED AVERAGE REDUCTIONS IN JAPANESE OFFER ON TARIFFS ACTUALLY APPLIED IS CONFIDENTIAL

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UNDER 20 PERCENT FOR MOST MEMBER STATES. ALTHOUGH COMMUNITY RECOGNIZES THAT RECENTLY ANNOUNCED ADVANCE REDUCTIONS SHOULD BE COUNTED AS A CONCESSION IN THE PRESENT ROUND, TARIFF REDUCTIONS IN EFFECT SINCE EARLY 1970'S SHOULD NOT. FRG SOURCE ADDED THAT JAPANESE OFFER HAD NOT BEEN AS FULLY EVALUATED AS THAT OF U.S. BUT THAT IT APPEARED VERY DEFICIENT.

6. COMMISSION INFORMED MEMBER STATES OF UPCOMING U.S.-EC BILATERALS INCLUDING HAFERKAMP'S VISIT TO WASHINGTON BUT APPARENTLY THERE WAS LITTLE TIME FOR DISCUSSION OF COMMUNITY POSITIONS ON OTHER MTN ISSUES TODAY. HINTON

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## Message Attributes

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**Decaption Date:** 01 jan 1960  
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**Review Markings:**  
Sheryl P. Walter  
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20 Mar 2014  
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